



22 DEC 2006

Morgan, Lewis & Bockius, LLP
1111 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

In re Application of	:	
HUDD et al.	:	
Application No.: 10/520,977	:	DECISION ON RENEWED
PCT No.: PCT/US02/15774	:	
Int. Filing Date: 16 May 2002	:	PETITION UNDER
Priority Date: 30 May 2001	:	
Attorney Docket No.: 056222-5085-US	:	37 CFR 1.137(b)
For: INKJET MAINTENANCE KIT	:	

This decision is in response to applicant's "Renewed Petition Under 37 C.F.R. § 1.137(b)" filed 27 April 2006 in the United States Patent and Trademark Office (USPTO).

BACKGROUND

Pursuant to 37 CFR 1.495(b), the present application became abandoned on 1 December 2003 for failure to timely submit the basis national fee.

On 11 January 2005, applicants filed a petition under 37 CFR 1.137(b) to revive the instant application.

On 28 February 2006, applicant was mailed a supplemental decision dismissing applicant's petition to revive pursuant to 37 CFR 1.137(b). Applicant was afforded two months to file any request for reconsideration.

On 27 April 2006, applicant filed the present renewed petition.

DISCUSSION

Petitioner seeks to revive the instant application pursuant to 37 CFR 1.137(b) based on unintentional abandonment. The legislative history of Public Law 97-247, § 3, 96 Stat. 317 (1982), reveals that the purpose of 35 U.S.C. 41(a)(7) is to permit the Office to have more discretion than in 35 U.S.C. 133 or 151 to revive abandoned applications in appropriate circumstances, but places a limit on this discretion stating that [u]nder this section a petition accompanied by [the requisite fee] would not be granted where the abandonment or the failure to pay the fee for issuing the patent was intentional as opposed to being unintentional or unavoidable. H.R. Rep. No. 542, 97th Cong., 2d Sess. 6-7 (1982), *reprinted in* 1982 U.S.C.C.A.N. 770-71. Thus, the Office is foreclosed from granting a petition to revive an application where abandonment of the application was intentional. A delay resulting from a deliberately chosen

course of action on the part of the applicant is not an unintentional delay within the meaning of 37 CFR 1.137(b). See MPEP §711.03(c) at pg 700-191. In determining whether a delay was unintentional, one looks to the delay on the part of the party having the right or authority to reply to avoid abandonment. MPEP §711.03(c), Section II. E. When an applicant assigns the entire right, title, and interest in an invention to another (and thus does not retain any legal or equitable interest in the invention), applicant's delay is irrelevant. *Id.*; also see *Kim v. Quigg*, 718 F. Supp. 1280, 1284, 12 USPQ2d 1604, 1607-08 (E.D. Va. 1989).

The following facts are not in dispute:

1. The Sponsored Development Agreement ("Agreement") between Xennia Technology Limited ("Xennia") and 3M Innovative Properties Company ("3M") calls for the assignment of the invention covered by U.S. application 10/520,977 ('977 application) from Xennia to 3M. (Renewed pet., item (3) of Background).
2. The Agreement provides that "Xennia agrees to assign and hereby assigns all right, title and interest in the ['977 application] to 3M" (§ 3.1 of Agreement).
3. The Agreement provides that Xennia and its employees, representatives and persons associated with it shall execute all documents necessary to vest in 3M all right, title, and interest in the invention of the '977 application, and that an assignment by the inventors to 3M assigning all such rights was executed by the inventors. (§ 3.1 of Agreement; assignment recorded at Reel/Frame: 16413/0481).
4. The Agreement states that "...3M IPC shall have the exclusive right at its own expense to file, prosecute, issue, maintain...all patent applications and patents, throughout the world, containing [the instant invention]." (§ 4.2 of Agreement)
5. In September 2003, 3M decided to abandon the application. (Renewed pet., item (7) of Background).

Applying the undisputed facts to the applicable law, it is clear that 3M's decision to abandon the instant application was intentional and therefore revival is foreclosed.

Petitioner does not dispute that a decision to abandon an application by an assignee, as the owner of all right, title and interest in and to the invention, would be considered intentional. See Renewed Pet at 1st ¶ of "Discussion". Rather, Petitioner argues that in the instant case, 3M's intention to abandon was dependent upon Xennia's approval, and could not be completed without Xennia's consent. However, Petitioner cites to no authority to support this theory of "dependent" or "incomplete" intent. Nor has petitioner cited any authority holding that a decision made by the legal and equitable owner of the invention (i.e., the assignee) to abandon an application can be revived. It is well settled that a mistake or unawareness of an underlying fact leading to an intentional decision to abandon an application does not make the abandonment unintentional. See, e.g., MPEP §711.03(c), II.C:

Where the applicant deliberately permits an application to become abandoned (e.g., due to a conclusion that the claims are unpatentable, that a rejection in an Office action cannot be overcome, or that the invention lacks sufficient commercial value to justify continued prosecution), the abandonment of such application is considered to be a deliberately chosen course of action, and the resulting delay

cannot be considered as “unintentional” within the meaning of 37 CFR 1.137(b). See In re Application of G, 11 USPQ2d 1378, 1380 (Comm’r Pat. 1989). An intentional course of action is not rendered unintentional when, upon reconsideration, the applicant changes his or her mind as to the course of action that should have been taken. See In re Maldague, 10 USPQ2d 1477, 1478 (Comm’r Pat. 1988). A delay resulting from a deliberately chosen course of action on the part of the applicant does not become an “unintentional” delay within the meaning of 37 CFR 1.137(b) because:

(A) the applicant does not consider the claims to be patentable over the references relied upon in an outstanding Office action;

(B) the applicant does not consider the allowed or patentable claims to be of sufficient breadth or scope to justify the financial expense of obtaining a patent;

(C) the applicant does not consider any patent to be of sufficient value to justify the financial expense of obtaining the patent;

(D) the applicant does not consider any patent to be of sufficient value to maintain an interest in obtaining the patent; or

(E) the applicant remains interested in eventually obtaining a patent, but simply seeks to defer patent fees and patent prosecution expenses.

See also *Field Hybrids, LLC. v. Toyota Motor Corp.*, 2005 U.S. Dist. LEXIS 1159 (D. Mn 2005) (“Plaintiff also argues it had no intention of abandoning the 288 Application, and would have chosen a different course of action had it been aware of the potential abandonment. As the MPEP makes clear, this is not a valid consideration in determining whether a delay is unintentional. The inquiry is directed only to whether the course of action resulting in the delay was intentional.”).

Petitioner also argues that 3M did not have the right to prosecute (or not prosecute) the application to avoid abandonment. Petitioner is confusing 3M’s contractual obligation to notify Xennia pursuant to ¶ 4.4 of the Agreement with 3M’s right, as assignee of all rights in the invention, to control prosecution. Absent reassignment of the invention back to Xennia, Xennia could not establish a right to take action in the present application. See 37 CFR 3.73(b). Furthermore, Petitioner’s argument is inconsistent with ¶. 4.2 of the Agreement, which states: “...3M IPC shall have the exclusive right at its own expense to file, prosecute, issue, maintain...all patent applications and patents...”. As further provided in ¶ 4.4 of the Agreement, Xennia’s ability to prosecute the application is contingent upon assignment of the invention back to Xennia.

Petitioner attempts to distinguish the instant case from *Kim v. Quigg* by asserting that Xennia retained a reversionary interest. This argument is not persuasive. A reversionary interest exists only if there is a conveyance of less than the entire interest. *Kim*, 718 F. Supp. at 1283. Here, the Agreement, as well as the assignment executed by the inventors, provide that “all

interest..." in the invention is conveyed to 3M. An agreement that creates the mere possibility that the invention may be reassigned back to the assignor does not create a reversionary interest. See *Kim* at 1283. As in *Kim*, reassignment of the invention back to Xennia was solely at the discretion of 3M. 3M, if it so desired, could have retained exclusive ownership of the invention for the life of any patent covering the invention.

Petitioner's reliance on *Futures Technology Ltd. V. Quigg*, 684 F. Supp 430 (E.D. Va. 1988) is misplaced. In *Futures*, the plaintiff was held to be the equitable owner of the invention. Here, Xennia retained neither legal nor equitable ownership in the invention.

Finally, it is noted that the record fails to establish when Xennia became aware of the abandonment. See, e.g., *Fields, supra*, finding purposeful delay where an applicant files a petition to revive under 37 CFR 1.137(b) in January after learning of abandonment late in the proceeding year.

CONCLUSION

For the reasons above, the renewed petition under 37 CFR 1.137(b) is **DISMISSED**. This application remains abandoned as to the National stage in the United States of America.

If reconsideration on the merits of the petition is desired, a proper response must be filed within **TWO (2) MONTHS** from the mail date of this decision. Extensions of time are available under 37 CFR 1.136 pursuant to 37 CFR 1.137(e)(1). Any reconsideration request should include a cover letter entitled "Renewed Petition Under 37 CFR 1.137(b)".

Please direct further correspondence with respect to this matter to Mail Stop PCT, Commissioner for Patents, Office of PCT Legal Administration, P.O. Box 1450, Alexandria, Virginia 22313-1450, with the contents of the letter marked to the attention of the Office of PCT Legal Administration.



Derek A. Putonen
Attorney Advisor
Office of PCT Legal Administration
Tel: (571) 272-3294
Fax: (571) 273-0459